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U.S. DEPT. OF AGRICULTURE
MILK MARKET INFORMATION BULLETIN
CHATTANOOGA, TENNESSEE, MARKETING AREA
FEDERAL RESERVE BANK
LIBRARY

Volume 18

DECEMBER 1973

Number 5

MAR 14 '74

Released Pursuant to \$1000.3 and \$1090.85, USDA-AMS
Federal Order No. 90, 112 Lee Parkway Drive, Chattanooga, Tennessee 37411
J. E. Bobo, Market Administrator

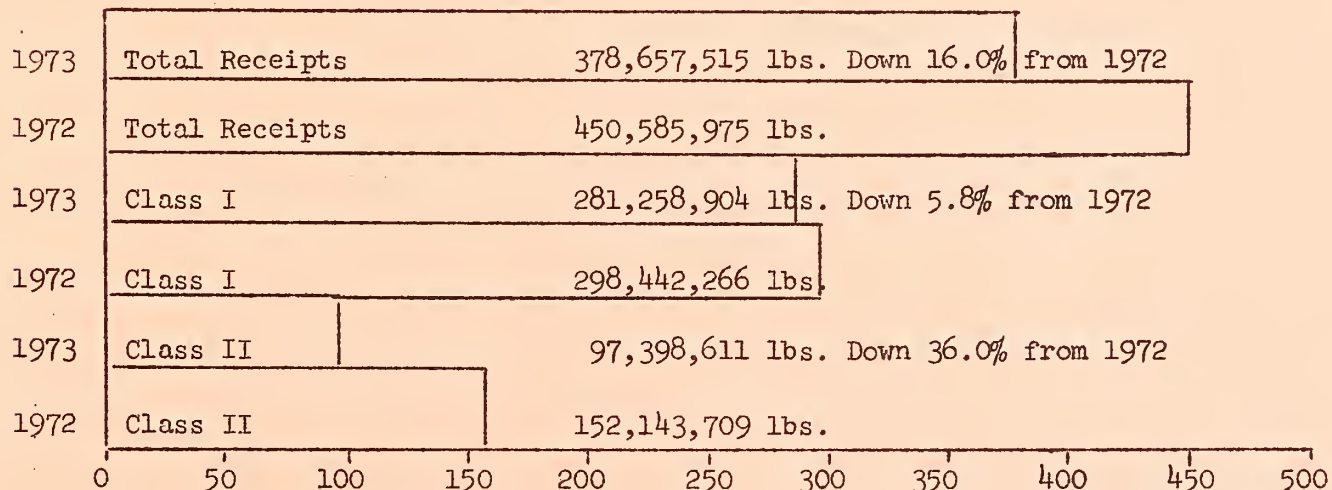
MARKET SUMMARY - DECEMBER 1973

The Chattanooga Order MINIMUM uniform producer price is \$9.20 per cwt. at pool plants for milk testing 3.5% butterfat. The producer butterfat differential is 8.6 cents for each one-tenth of one percent above or below 3.5% test. This is a price increase of \$2.29 above December 1972 and an increase of 34 cents above November 1973.

In December 1973, 75.9% of producer milk received by pool plants was priced in Class I at \$9.64 per cwt. and 24.1% was priced in Class II at \$7.94 per cwt. for milk testing 3.5% butterfat. The December handler butterfat differential for Class I was 9.0 cents and Class II was 8.3 cents.

Total producer milk received at pool plants during December 1973 was 30,040,945 pounds which is a decrease of 6,380,624 pounds or a daily average decrease of 17.5% compared with December 1972. The December daily average deliveries from 600 producers was 1,615 pounds. This compares to 723 farms delivering a daily average of 1,625 pounds per day during December 1972.

PRODUCER MILK - RECEIPTS AND CLASSIFICATION
(January thru December)



(Million Pounds)

COMPARISON OF MILK RECEIPTS AND UTILIZATION

	% Dec. '73 Over Dec. '72	Dec. 1973	Nov. 1973	Dec. 1972
Number of Plants - Pool		4	3	7
- Non-Pool		13	13	12
<u>RECEIPTS POUNDS (DAILY AVERAGE)</u>				
Producer Milk	- 17.5	969,063	756,372	1,174,889
Other Source	+156.5	84,477	75,608	32,930
Other Federal Orders	+ 18.2	104,042	85,005	88,027
TOTAL MILK RECEIPTS	- 10.7	1,157,582	916,985	1,295,846
<u>UTILIZATION POUNDS (DAILY AVERAGE)</u>				
<u>Class I Uses</u>				
Homo Milk	- 21.5	369,205	399,008	470,409
Skim	- 14.2	19,075	20,718	22,242
2% Milk	+ 18.1	185,604	187,135	157,150
Buttermilk	- 9.4	52,310	54,660	57,749
Flavored Milk & Drink	- 2.6	21,658	25,784	22,231
Creams (Sweet and Sour) and Dip	- 10.2	4,724	3,722	5,263
Yogurt	- 62.4	187	287	498
Pkg. Items Sub-Total (Pool Plants)	- 11.3	652,763	691,314	735,542
Other (Shrinkage, Inventory, etc.)		2,989	731	5,024
Sales to Non-Pool Plants	- 58.7	80,418	-0-	194,709
In-Area Sales by Non-Pool Plants	+101.8	93,516	101,493	46,331
TOTAL CLASS I MILK	- 15.5	829,686	793,538	981,606
<u>Class II Uses - Pool Plants</u>				
Ice Cream Mixes	+ 34.2	41,077	46,541	30,608
Livestock Feed and Milk Dumped		5,114	5,326	10,213
Shrinkage Class II		16,302	12,958	15,596
Other (Inv. Variation, Cottage Cheese, etc.)		62,244	39,023	47,180
Bulk Sales to Non-Pool Plants	- 3.6	203,159	19,599	210,643
TOTAL CLASS II MILK	+ 4.3	327,896	123,447	314,240
<u>CLASS I PACKAGED POUNDS</u>				
Distributed In Area - Pool Plants	- 11.2	455,424	484,782	512,626
Distributed Out of Area - Pool Plants	- 11.5	197,339	206,532	222,916
Distributed In Area - Non-Pool Plants	+101.8	93,516	101,493	46,331
% Producer Milk of Gross Class I		116.8	95.3	119.7
% Producer Milk Priced in Class I		75.9	91.4	78.3

TOTAL PACKAGE CLASS I POUNDS (DAILY AVERAGE) ON ROUTES IN THE
MARKETING AREA BY POOL PLANTS AND NON-POOL PLANTS

	% Dec. '73 Over Dec. '72	Dec. 1973	Nov. 1973	Dec. 1972
<u>PACKAGE ITEMS</u>				
Homo Milk	- 13.1	324,500	357,175	373,294
Skim	- 4.8	14,762	16,035	15,512
2% Milk	+ 36.9	140,160	137,961	102,379
Buttermilk	- 1.1	45,501	47,293	45,989
Flavored Milk and Drink	+ 13.0	19,764	24,381	17,487
Fluid Creams, Yogurt and Dip	- 1.0	4,253	3,430	4,296
Class I Package Pounds - In Area	- 1.8	548,940	586,275	558,957

COMPUTATION OF PRODUCER UNIFORM PRICE

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DECEMBER 1973	Class %	Milk Pounds	Butterfat Test - %	Cwt.Price @ Test	Gross Value
Gross Class I		25,720,271	2.924		
Less Other Source		2,923,509	2.771		
Producer Milk Class I	75.9	22,796,762	2.943874	\$9.139487	\$2,083,507.10
Gross Class II		10,164,776	5.262		
Less Other Source		2,920,593	1.062		
Producer Milk Class II	24.1	7,244,183	6.955153	10.807777	782,935.14
TOTAL PRODUCER MILK (Cl.I+Cl.II)	100.0	30,040,945	3.911169		\$2,866,442.24
Add Fractional Adjustment					.06
Add Value of Overage					328.37
Add Value of Class I Other Source and Producer Location Adjustment		7,778			7,512.98
Add ½ producer-Settlement Fund Reserve					10,480.16
TOTAL VALUE AT TEST		30,048,723	3.910156	\$9.600288	\$2,884,763.81
Less Test over 3.5% @ 8.6¢ per point		30,048,723	.410156	.352734	105,992.06
TOTAL UTILIZATION VALUE AT 3.5%		30,048,723	3.5	\$9.247554	\$2,778,771.75
Less Producer-Settlement Fund Reserve		30,048,723		.047554	14,289.37
PRODUCER UNIFORM PRICE - 3.5% TEST		30,048,723	3.5	\$9.20	\$2,764,482.38

DECEMBER 1973 MINIMUM PRODUCER PRICES CWT. f.o.b. POOL PLANTS
 BUTTERFAT DIFFERENTIAL 8.6¢ PER POINT (EXCLUDES PREMIUMS)

TEST-%	PRICE	TEST-%	PRICE	TEST-%	PRICE	TEST-%	PRICE
3.0	\$8.77	3.75	\$9.415	4.5	\$10.06	5.25	\$10.705
3.05	8.813	3.8	9.458	4.55	10.103	5.3	10.748
3.1	8.856	3.85	9.501	4.6	10.146	5.35	10.791
3.15	8.899	3.9	9.544	4.65	10.189	5.4	10.834
3.2	8.942	3.95	9.587	4.7	10.232	5.45	10.877
3.25	8.985	4.0	9.63	4.75	10.275	5.5	10.92
3.3	9.028	4.05	9.673	4.8	10.318	5.55	10.963
3.35	9.071	4.1	9.716	4.85	10.361	5.6	11.006
3.4	9.114	4.15	9.759	4.9	10.404	5.65	11.049
3.45	9.157	4.2	9.802	4.95	10.447	5.7	11.092
3.5	9.20	4.25	9.845	5.0	10.49	5.75	11.135
3.55	9.243	4.3	9.888	5.05	10.533	5.8	11.178
3.6	9.286	4.35	9.931	5.1	10.576	5.85	11.221
3.65	9.329	4.4	9.974	5.15	10.619	5.9	11.264
3.7	9.372	4.45	10.017	5.2	10.662	5.95	11.307

PLANTS DISTRIBUTING MILK IN FEDERAL ORDER NO. 90 AREA - DECEMBER 1973

POOL PLANTS - CHATTANOOGA

Dairymen, Inc.- Chattanooga
 Happy Valley Dairies
 Division of Flav-O-Rich, Inc.
 Mayfield Dairy Farms, Inc.
 Ray Moss Farms, Inc.

FEDERAL ORDER NO. 98 - NASHVILLE

Avalon Dairies, Inc.
 Sealtest Foods

FEDERAL ORDER NO. 33 - OHIO VALLEY

Kroger Company

FEDERAL ORDER NO. 101 - KNOXVILLE

Broadacre Dairies, Inc.
 Pet, Inc., Dairy Division
 Wolf Enterprises, Inc.

FEDERAL ORDER NO. 7 - GEORGIA

Dempsey Brothers Dairies, Inc.
 Meadowbrook Dairy, Inc.
 Meadow Gold Dairies of Georgia
 Superbrand Dairy Products, Inc.

PARTIALLY REGULATED - CHATTANOOGA

The Great A&P Tea Company, Inc.
 Coble Dairy Products Cooperative, Inc.
 Tro-Fe Dairy Company, Inc.

CHATTANOOGA ORDER MILK PRICES (3.5 PERCENT TEST)

Date	PRODUCER UNIFORM PRICES 1/				HANDLER CLASS PRICES 1/			
	Per Hundredweight				Class I		Class II	
	Uniform	Base	Excess	Bf. Dif.	Cwt.	Bf. Dif	Cwt.	Bf. Dif.
Dec. '72	\$6.91	-	-	8.2¢	\$7.33	8.3¢	\$5.41	8.1¢
Jan. '73	6.90	-	-	8.2	7.47	8.5	5.43	7.8
Feb.	7.10	-	-	8.0	7.56	8.1	5.45	7.8
Mar.	6.95 2/	\$7.07	\$5.55	7.8	7.58	8.1	5.55	7.4
Apr.	6.80 2/	6.95	5.63	7.4	7.60	7.7	5.63	7.1
May	6.94 2/	7.10	5.66	7.2	7.70	7.4	5.66	7.0
June	7.10 2/	7.24	5.73	7.2	7.78	7.3	5.73	7.0
July	7.32 2/	7.44	5.78	7.4	7.81	7.3	5.78	7.3
Aug.	7.74	-	-	8.0	7.88	7.6	6.38	9.0
Sept.	8.28	-	-	9.6	8.37	9.4	6.91	9.9
Oct.	8.33	-	-	10.0	8.53	10.3	7.49	9.1
Nov.	8.86	-	-	9.2	9.06	9.5	7.64	8.6
Dec.	9.20	-	-	8.6	9.64	9.0	7.94	8.3
Jan. '74	-	-	-	-	9.79	8.6	-	-
Feb.	-	-	-	-	10.09	-	-	-

Date	PRICE QUOTATIONS			PRODUCER MILK USE					
	Chi. 92° Butter	Chi. Area Powder	Minn/Wisc. Mfg. Milk	(Daily Average)				Percentage Use	
	¢ Lb.	¢ Lb.	Cwt. -3.5%	Class I Pounds	Test-%	Class II Pounds	Test-%	Cl. I	Cl. II
Dec. '72	70.49	37.36	\$5.41	920,115	3.15	254,774	6.93	78.3	21.7
Jan. '73	67.72	39.06	5.43	885,877	3.04	316,704	6.53	73.7	26.3
Feb.	67.71	40.34	5.45	959,795	3.09	267,892	7.19	78.2	21.8
Mar.	64.17	41.99	5.55	888,264	3.01	373,861	5.92	70.4	29.6
Apr.	61.58	43.98	5.63	767,656	3.02	540,208	4.95	58.7	41.3
May	61.00	45.20	5.66	793,404	2.93	484,871	4.80	62.1	37.9
June	61.00	45.24	5.73	779,652	2.98	407,557	4.87	65.7	34.3
July	63.43	45.51	5.78	763,373	3.03	247,383	5.55	75.5	24.5
Aug.	78.15	47.96	6.38	647,883	2.89	126,570	7.38	83.7	16.3
Sept.	85.94	50.07	6.91	675,195	2.80	71,764	11.48	90.4	9.6
Oct.	79.34	50.82	7.49	672,259	2.78	66,947	13.28	90.9	9.1
Nov.	75.00	51.04	7.64	690,996	2.83	65,376	14.87	91.4	8.6
Dec.	71.98	52.03	7.94	735,380	2.94	233,683	6.96	75.9	24.1

SUMMARY OF RECEIPTS AND USE (DAILY AVERAGE POUNDS)

Date	HANDLERS GROSS MILK 3/				PRODUCER DATA				
	No. Hdlers	Total Receipts	Class I Use	Pool Plants	No. Prod.	Total Delivery	Base Delivery	Average Test-%	Av. Per. Farm
Dec. '72	19	1,295,846	981,606	7	723	1,174,889	-	3.97	1,625
Jan. '73	18	1,301,289	958,995	6	769	1,202,581	-	3.96	1,564
Feb.	18	1,315,283	1,026,601	6	745	1,227,687	-	3.99	1,648
Mar.	18	1,354,127	956,276	6	739	1,262,125	1,162,997	3.87	1,708
Apr.	18	1,412,799	839,607	6	732	1,307,864	1,162,188	3.82	1,787
May	18	1,367,832	861,685	6	726	1,278,275	1,140,405	3.64	1,761
June	18	1,273,527	843,702	6	720	1,187,209	1,076,817	3.63	1,649
July	17	1,128,476	857,423	4	630	1,010,756	938,848	3.64	1,604
Aug.	17	905,289	742,937	4	601	774,453	-	3.63	1,289
Sept.	16	954,718	786,950	3	567	746,959	-	3.63	1,317
Oct.	16	926,692	776,654	3	561	739,206	-	3.74	1,318
Nov.	16	916,985	793,538	3	553	756,372	-	3.87	1,368
Dec.	17	1,157,582	829,686	4	600	969,063	-	3.91	1,615

1/ Excludes Premiums

2/ Weighted Average Price

3/ Other Source is Gross minus Producer; Class II is Receipts minus Class I